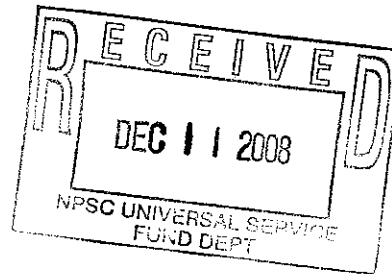




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From: Action Communications, Inc.
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To: Brandy Zierott
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Nebraska Public Service Commission
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Reference: NE PSC NUSF-57 PO.2 NE Telehealth Program Comments

Action Communications, Inc. thanks the NE PSC for the opportunity to offer comments on NUSF-57 PO.2 as it relates the Nebraska Telehealth Program and the USAC RHC re-imbursement process.

1. Action believes that the entire process of re-imbursement has greatly improved in the 2007- 2008 year as compared to the past years with the fact that Regional West Medical Center has taken over USAC RHC forms processing from High Plains Rural Health Network for most of its spoke locations, but there is still room for improvement.
2. Action continues to see about a 7 month period of delay in the USAC RHC re-imbursement process which we believe could be reduced to 4 months with improvements in the timeliness of the HCP filing process. Steps have been taken by Action Communications, Inc. to offer assistance to RWMC in filing their 2009 – 2010 Year 465 Forms in the month of April, and to assist RWMC in filing their 466 Forms after the required 29 day waiting process for our Evergreen contracts. Action will also assist RWMC in July of each year to provide copies of July service invoices so RWMC can file them with the USAC RHC.
3. Action believes that the NUSF re-imbursement process is working very smoothly and has not seen any delays in the current monthly invoicing and payment process. We Thank the NUSF Department for their continued support and attention to detail in the NUSF payment process.
4. Action believes service providers should be able to place accountability and penalty clauses in their Telehealth Contracts to compensate for those HCPs that do not submit their USAC RHC forms in a timely manner. If a HCP has not submitted their USAC Forms in a timely manner, the HCP should have to pay their monthly service rate in full for the remainder of the support year. Action requests support from the NE PSC to implement such changes.

Below are Action's specific comments to answer the Commission's questions asked in NUSF-57 PO.2:

The Commission enters this Order to seek comments on the filing of Universal Service Administration Company (USAC) forms and contractual issues between the hospitals and the telecommunications carriers for the Telehealth Program. Overall, the Commission questions whether it should establish minimum requirements for the filing of the USAC forms and contract process. Action believes the NPSC should establish minimum requirement for the filing of USAC forms. If so, what should the minimum requirements be? Action believes all NE HCPs should be required to submit their USAC 465 Forms before 4/30 annually. Alternatively, should the contractual issues be left for the parties to determine on a case-by-case basis? Action believes the contractual issues should not be left for a case-by-case basis and that the NE PSC and USAC RHC should establish consequences for those NE HCPs that do not meet the minimum requirements for filing.

In addition, the Commission solicits comment on the following specific issues:

1. How can the Commission assist in making sure that the USAC forms are filed timely and all obligations are met by both the hospitals and by the telecommunications carriers? Action believes the NE PSC should consider imposing a penalty to any NE HCP that does not meet the minimum filing requirements established to include not providing NUSF support monthly. The NE PSC might consider establishing a separate department within the NUSF to process all NE Telehealth HCP's annual USAC RHC filing or consider contracting this duty to one entity to improve the process. Overall, the NE PSC is currently doing an excellent job in processing Telehealth reimbursements.

2.


2. What should the consequence be for failure to timely file the appropriate forms with USAC, which results in delayed reimbursement for the telecommunications carriers? Action believes that any NE HCP failing to file in a timely manner (after a specific deadline date set by the NPSC) be required to pay their entire monthly service contracted costs with no USAC RHC or NUSF support for the entire support year. What should the consequence be for failure of the telecommunications carriers to provide any required information necessary to the process in a timely manner? Action believes the NUSF can withhold monthly payments to the service provider not providing required information in a timely manner.

3. Currently, weight is given in the Nebraska Telehealth bidding document to the existence of an executed letter of agreement which provides that the hospital will file the appropriate forms with USAC and the telecommunication carrier will provide all necessary information in a timely manner. Should this continue to be the process? Action believes that the current executed letter of agreement is not being honored by many of the NE HCPs. At times the NE HCP's Management changes from year to year and the HCP puts no value on the executed letter because the person who signed the letter is no longer with the entity. There is no consequence in this letter. Perhaps the result of 2 above should be a component in this LOA. Should such provisions be included in the contractual relationship between the hospitals and carriers rather than in a letter of agreement? Action believes such provision be included in the contractual relationship between the HCP and the carrier with support from the rules imposed by the NE PSC.

Please contact me at 308-630-3124 or lcouch@actcom.net for any questions about Action's view on this issue. We would be glad to help improve the USAC RHC and NUSF re-imbursement process.

Respectfully submitted this 8th day of December, 2008.

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